



August 31, 2007

The Honorable Mark Sanford  
Governor of South Carolina  
Office of the Governor  
Post Office Box 12267  
Columbia, South Carolina 29211

Dear Governor Sanford:

Dear Governor Sanford:

The University of South Carolina system educates over 43% of the total population of postsecondary students in our state. It takes a tremendous commitment of resources to meet the primary purpose of our institutions to provide a broad, comprehensive education that will continue to produce citizens who contribute vitally to the quality of life for all South Carolinians. The attached budget request describes and justifies the State financial support needed in order to help satisfy our educational goals and objectives. The request reflects many of our institutional priorities and the various initiatives are summarized below.

### **Columbia Campus**

The Columbia campus is requesting support of the **Faculty Excellence Initiative** recruitment and retention program. This program is essential to fulfill the institution's mission of providing its students with outstanding scholars to enrich their educational experience. The University has successfully improved each year's freshman class by attracting top-notch students who are eager to obtain a quality education. In addition, the institution is experiencing unprecedented enrollment growth as more students are attracted to the University of South Carolina. Today, more than ever before, we are keeping large numbers of South Carolina's best and brightest here to learn and ultimately enrich our communities and businesses. Now, we must provide faculty scholars who will provide the vision and talent to produce successful citizens.

**OneCarolina** is the University System's multi-year initiative to replace its outdated administrative computing applications, including Student Information Systems, Finance, Sponsored Programs, and Human Resources into one easily-accessible, Web-based system. This change in technology is necessary to manage the University System in a professional manner that is both cost effective and responsive to our constituents.

Many faculty recruitments require large start-up outlays for equipment, providing staff support, and hiring associate faculty. The **Strategic Faculty Development** initiative will advance our ability to recruit a diverse, high-quality faculty work force in sufficient numbers to meet the high standards demanded of an education that prepares our students for the modern, knowledge-based environment they will encounter.

The University of South Carolina's Division of Law Enforcement and Safety has long been committed to providing a safe, secure environment for students, staff and faculty. This commitment is reinforced by recent tragic events on our nation's campuses. In our **Campus Health, Security & Life Safety** initiative,

we seek resources for installation of access control systems to make buildings more secure, additional call boxes for notifying authorities of emergencies, video systems to enhance surveillance, and a campus-wide alert system. Moreover, additional personnel positions are needed to support the University's enhanced security efforts.

**SC LightRail** is an innovative plan that will benefit all citizens of the State of South Carolina by improving communications among healthcare organizations, research units, and educational institutions. **SC LightRail** is a collaborative project involving participation by the Medical University of South Carolina, Clemson University, the University of South Carolina, and Health Sciences South Carolina which will improve healthcare for the citizens of South Carolina. Scientists and researchers need the network capacity of **SC LightRail** in order to take full advantage of the grid/high performance computing opportunities offered through the SURA/IBM partnership.

Long recognized for innovation and excellence in international programs, the University of South Carolina seeks support of its **Global Competitiveness Initiative** in order to expand the level of participation by our students and faculty in the world about us. There is mounting pressure placed on our universities to develop and sustain curricula that will prepare our students to compete and thrive in the global economy. The **Global Competitiveness Initiative** will allow the University to expand its successful study-abroad program, acquire more offshore internships for students, and extend participation in exchange programs by more students, including those whose financial constraints might otherwise preclude them from experiencing these important activities.

The **Student Partners in Academic Research (SPAR)** program will provide an enriched academic experience for the University's undergraduate and graduate students through research opportunities in all disciplines from science, technology and medicine to theatre, music and art. Through faculty mentoring relationships and exposure to live professional research experiences, students may attain in-depth knowledge not achievable in ordinary classroom settings.

In partnership with the Greenville Hospital System and Palmetto Health, the University plans to extend its research capabilities to those health care providers to provide immediate advances in diagnosis, treatment and prevention by way of the **South Carolina Health Advancement** initiative. This will lead to improved healthcare initially for significant segments of the state's population, and research findings resulting from the initiative ultimately will lead to improvements in the health of all South Carolina citizens.

### **Capital Budget Priorities**

The USC Columbia campus is comprised of 163 buildings on 384 acres situated in the heart of the state. The Columbia campus has identified three capital budget priorities: the School of Law building replacement, the historic Gibbes Green renovations, and the renovation/addition to the Moore School of Business. Funding of capital projects is a high priority as we strive to achieve excellence in all aspects of the institution's mission.

The condition of facilities is a vital consideration when programs are under review for accreditation. Reducing deferred maintenance is a primary goal of the University in order to protect state resources and enhance the learning environment. The amount of deferred maintenance for the Columbia Campus as listed in the CHE 2003 Update is \$150,513,637. Recently, a comprehensive building quality survey was completed for the Columbia Campus which indicates the actual deferred maintenance is in excess of \$500 million. A State capital improvement bond bill is critical to the reduction of this backlog.

## **State Funding Priorities**

The University of South Carolina fully supports retaining the full \$30,000,000 in funding from the Education Lottery for the Endowed Chairs program. South Carolina's students also benefit from the program. Increasing the level of training we can provide allows us to keep our best and brightest at home, helping to end our talent export. We encourage our state's leaders not to look at funding the Endowed Chairs program as an appropriation, but rather as an investment -- a smart investment that will fuel innovation, enhance economic opportunity, and lead to a stronger South Carolina.

South Carolina's political leadership should be commended for creating and supporting the Centers of Economic Excellence Program during the last five years. This visionary initiative leverages state and private funds along with university-based research to drive economic growth in areas such as nanotechnology, health sciences, future fuels, energy alternatives, automotive engineering, and advanced fibers with the greatest promise to create high-skill, high-paying jobs. This model has created a magnet for private-sector investment in South Carolina.

The state's three research universities -- Clemson University, the University of South Carolina, and the Medical University of South Carolina -- are using the program to benefit our state. In addition to increased research collaboration among the three institutions, we are now able to get the attention of the world's best scientists and graduate students.

Last year, approximately 90 people, including representatives from the Legislature, various state offices, the South Carolina Hospital Association and all USC nursing deans formulated "One Voice – One Plan" to address the critical shortages of nurses across South Carolina. The plan received an initial investment of \$1,000,000 for FY2008. The University of South Carolina System is combining internal resources and collaborating with other institutions to support the state-wide coordinated, comprehensive workforce plan and strongly supports the funding request for the South Carolina Critical Needs Nursing Initiative.

The University of South Carolina system supports an increase to the Need-Based Grants program administered by the South Carolina Commission on Higher Education. The Need-Based Grants program is a worthwhile investment in the state's neediest students by providing the financial resources to pursue a degree in higher education. A major contributor to the success of the state's economic competitiveness is the level of education held by its population.

USC supports an increase for the Experimental Program to Stimulate Competitive Research (EPSCoR) to fund the IDEa program - Institutional Development Awards. An increase in funding will enable EPSCoR to become more competitive in securing federal research funds. The South Carolina EPSCoR/IDEa program identifies, develops, and uses academic science and technology resources to increase South Carolina's research and development competitiveness and support economic growth through the state's colleges and universities, their science and engineering faculty, and their students. Increasing South Carolina's scientific and technological research competitiveness is critical.

As in every year, we ask that the faculty and staff of our higher education institutions be recognized as state employees and afforded the same benefits as any state employee—particularly in any pay plan for cost of living and/or merit adjustments as well as increases to employer contributions for health insurance and the South Carolina Retirement System.

## **USC Senior and Regional Campuses**

The USC Senior campuses at Aiken, Upstate and Beaufort and the Regional campuses at Lancaster, Salkehatchie, Sumter, and Union are appreciative of the recurring parity funding provided in FY2008, but we would like to encourage a full study of the implications of parity for these institutions. This funding is

part of the “Investment in Academic Excellence” initiative to retain our best and brightest faculty and students as well as recruit faculty and students who will contribute to the economic welfare of our state.

### **Addendum**

All activities of the University of South Carolina’s campuses directly support the mission of teaching, research and creative activity, and service. The activities reported in the Agency Activity Inventory are based on expenditure classifications established by the National Association of College and University Business Officers (NACUBO) and are standard across higher education. These classifications identify all critical and necessary components of an institution’s mission and are not separable. As such, we feel all of our activities are critical to fulfilling the mission of our University and satisfying our obligations to the citizens of South Carolina.

### **Provisos**

The University of South Carolina is requesting amendments to two provisos (15.1 and 15.6) and the deletion of the following proviso:

**89.97** (GP: Academic Center) Of the funds appropriated to the University of South Carolina Upstate for other operating expenses, \$100,000 shall be transferred to Spartanburg Community College to support the Academic Center.

The University, along with the State, has experienced unprecedented growth, prompting monumental challenges to successful attainment of the goals. Quite frankly, however, success will not occur without a long-term commitment from government, business and education. The University of South Carolina plays a critical role in delivering higher education throughout the state and it is hoped that the Office of the Governor and the State Legislature will continue to provide support for this mission.

Sincerely,

Andrew A. Sorensen

c: Dr. Mark Becker, Executive Vice President for Academic Affairs and Provost  
Mr. Richard Kelly, Vice President and Chief Financial Officer  
Ms. Leslie Brunelli, Budget Director  
Dr. Garrison Walters, Director, S. C. Commission on Higher Education  
Mr. Les Boles, Director, Budget and Control Board

## FISCAL YEAR 2008-09 BUDGET PLAN

### I. EXECUTIVE SUMMARY

A. Agency Section/Code/Name: **15E/H37/USC LANCASTER**

B. Statewide Mission:

**The mission of USC Lancaster (USCL) is to provide a superior and affordable university education for the citizens of Lancaster, Chester, Chesterfield, Fairfield, Kershaw and York counties. USCL provides this education through superior faculty, scholarship, research, and engaged public service designed to stimulate the intellectual and cultural interests of students and the regional community.**

**USC Lancaster grants associate degrees in the arts, sciences, business, criminal justice, and technical nursing. Limited upper-division course work creditable toward baccalaureate degrees is also available to students.**

C. Summary Description of Strategic or Long-Term Goals: The full text of USCL's Strategic goals may be accessed at:  
<http://usclancaster.sc.edu/planning/BQE2006.pdf>

- (1) **Enhance academic excellence. USCL will recruit better prepared students and emphasize use of campus resources such as the Academic Success Center to improve student success rates. USCL will improve classroom instruction through greater utilization of traditional and multi-media technology. New full-time faculty positions will be established for those academic programs deemed highest priority needs. An expanded base of adjunct faculty will also strengthen USCL's academic excellence, along with expanded course offerings and research capabilities.**
- (2) **Enhance the fiscal strength of USCL. Expenditures will be monitored and controlled to maximize the return on every dollar spent at USCL. The Dean will continue to work closely with the Lancaster County Commission on Higher Education and the legislative delegation in order to promote greater understanding of USCL accomplishments, goals and vision. The development officer will seek new sources of community support to USCL and work with the Educational Foundation of USCL to establish a permanent unrestricted endowment fund. USCL will seek to increase grant funding.**
- (3) **Enhance academic and student support services. USCL's Hiring Priority Committee will focus attention on academic and student support services programs to ensure sufficient resources are available to achieve goals and objectives. Academic divisions will encourage interaction between faculty and students outside the classroom to ensure students are able to discuss course progress. On-campus cultural events will be offered by academic divisions. USCL will**

continue to upgrade campus technology resources and Medford Library will promote awareness of electronic databases. Distance learning programs will be expanded. The professional development of staff will be encouraged.

- (4) **Enhance the physical plant.** USCL will address campus modernization and beautification needs. These changes will be implemented in order to achieve several objectives. USCL's first priority is to maximize the usefulness of existing facilities. Second, modernization of facilities and campus beautification will improve recruitment and retention of students, faculty and staff. Third, space utilization will be reviewed to eliminate inefficiencies. Renovations to the physical plant will also translate into cost savings through lower total energy consumption within existing buildings. Lower energy consumption will demonstrate to students and the community our commitment to environmental awareness and action.
- (5) **Enhance campus-community partnerships.** USCL is a major contributor to the quality of life in Lancaster and surrounding counties. To further that community focus, USCL will sponsor on-campus cultural events that will be of interest to the regional community. Those events will include writing, theater, music, arts, history and athletic programs, among others. Community Advisory Boards will be used to ensure community needs are met with regards to Medford Library, Gregory Health and Wellness Center, Educational Foundation of USCL, Diabetes Education and the TRiO programs.

D. USCL's requests for additional operating funds for FY 2008 – 2009 include mission-critical new faculty hires, instructional equipment, staff and maintenance. The campus must replace retiring faculty in order to meet the demands of the service region. The first priority request is for salary funding that will permit USCL to retain the new faculty hired for the 2006-2007 and 2007 – 2008 academic years. The second request is funding to hire an additional 6 faculty to begin teaching in academic year 2008 - 2009.

Priority No.: 1	Title: <b>Investment in Academic Excellence</b>	0	<b>1,240,800</b>	0	0	<b>\$1,240,800</b>	0	0	0	0.00
Strategic Goal No.: <b>1 Enhance Academic Excellence</b> Activity Number & Name: <b>520 Instruction: Arts and Sciences</b>										
<b>TOTAL OF ALL PRIORITIES</b>		\$ 0	<b>\$1,240,800</b>	\$ 0	\$ 0	<b>\$1,240,800</b>	0.00	0.00	0.00	0.00

E. Agency Recurring Base Appropriation:

State \$ **2,681,210**

Federal\$ **1,766,982**

Other \$ **10,075,083**

- F. Efficiency Measures: : **Degrees awarded 2004-05 by USCL: 121. Degrees awarded by all Regional Campuses 2004-05: 345. USCL awarded 35% of all degrees from Regional Campuses. Degrees awarded 2006-07: 149 (a 23% increase over 2004-05). S.C. Commission on H. E. Performance Funding Rating for 2004-05: Achieves -- 2.47 out of 3.00 (82%). Council Licensure Examination – Registered Nurse: 96.4% pass rate.**

G.

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.: <b>1</b>	Project Name: <b>Campus Renovations</b> Activity Number & Name: <b>525 Operations and Maintenance</b>	Project No*:	<b>\$4,110,000</b>	0	0	<b>\$4,110,000</b>
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			<b>\$4,110,000</b>	\$ 0	\$ 0	<b>\$4,110,000</b>

\* If applicable

- H. Number of Proviso Changes: **None**

- I. Signature/Agency Contacts/Telephone Numbers:

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**Richard W. Kelly**  
**Vice President and Chief Financial Officer**  
**(803) 777-7481**

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**Leslie G. Brunelli**  
**Budget Director**  
**(803) 777-1967**

## II. DETAILED JUSTIFICATION FOR FY 2008-09 OPERATING BUDGET PRIORITIES

- A. Agency Section/Code/Name: **15E/H37/USC LANCASTER**
- B. Priority No.   1   of   1
- C. (1) Title: **Investment in Academic Excellence**  
(2) Summary Description: **This request is for recurring state funds to retain 11 full-time faculty hired beginning with the 2006-2007 academic year and 13 full-time positions recently hired for the 2007-2008 academic year. Because of significant increases in enrollment and retirement of other faculty, it is imperative that USCL be able to retain the very talented faculty recruited.**  
(3) Strategic Goal/Action Plan (*if applicable*): **Strategic Goal No. 1 -- Enhance academic excellence.**
- D. Budget Program Number and Name: **10010100 Education and general Unrestricted**
- E. Agency Activity Number and Name: **520 Instruction: Arts and Sciences**
- F. Detailed Justification for Funding

(1) Justification for Funding Increase:

**In Fall 2000, USC Lancaster had an official enrollment of 837 (headcount) and 545 (FTE). Since that time, the campus has experienced continual growth in the number of students served. In Fall 2005, the campus reported an official enrollment of 1,084 (headcount) and 748 (FTE), an increase of 29.5% and 37.2%, respectively, since 2000.**

**Despite the increase in student enrollment, the number of full-time faculty remained fairly stable. The increased demand for instructional staff was met by the hiring of additional adjuncts and also by asking full-time faculty to teach overload courses each semester.**

**Beginning in 2005, however, USCL began to experience a substantial departure of full-time faculty due to retirement and TERI. A Faculty Hiring Priorities Committee was established to study the impending retirements and to make recommendations to the administration for faculty searches to be conducted in order to meet campus needs in light of retirements and an increasing student enrollment.**



(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					0.00
(b) Personal Service		<b>776,500</b>			<b>\$776,500</b>
(c) Employer Contributions		<b>199,300</b>			<b>\$199,300</b>
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		<b>265,000</b>			<b>\$265,000</b>
<b>Total</b>	\$ 0	<b>\$1,240,800</b>	\$ 0	\$ 0	<b>\$1,240,800</b>
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	<b>\$ 2,681,210</b>
Federal	<b>\$ 1,766,982</b>
Other	<b>\$10,075,083</b>

(4) Is this priority associated with a Capital Budget Priority?       **No**       If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2007-08 Appropriation Act:

State     33.74  
Federal   3.00  
Other     40.29

Agency-wide Vacant FTEs as of July 31, 2007:   12.53  
% Vacant   16.27 %

H. Other Comments:

**Increased enrollment at USCL continues as a major driving force in budget priorities. Fall '06 enrollment was 1,195 students. Although final figures for fall '07 will not be available until October, USCL anticipates at least a 10% increase over the prior year. Moreover, enrollment trends indicate the likelihood of another 10 – 15% increase in fall '08. Without confidence in the ability to receive adequate state funding, long-range planning cannot be developed for sustained quality programs of higher education.**

### III. DETAILED JUSTIFICATION FOR CAPITAL BUDGET PRIORITIES

- A. Agency Section/Code/Name: **15E/H37/USC LANCASTER**
- B. Priority No. **\_1\_** of **\_1\_**
- C. Strategic Goal/Action Plan (*if applicable*): **Goal 4 – Enhance the physical plant**
- D. Project Name and Number (*if applicable*): **Campus Renovations**
- E. Agency Activity Number and Name: **525 Operations and Maintenance**
- F. Description of Priority: **This project will correct environmental health and safety issues in approximately 107,000 square feet of academic, administrative, and program facilities. More specifically, the facilities supply classrooms, administrative offices, community health services programs, community fitness programs, an auditorium, and staff offices. The renovations encompassed by this project are permanent improvements that will bring the facilities to current health and safety standards, greatly improve energy efficiency and improve the educational environment. The buildings included in this project are Hubbard Hall, the Gregory Health and Wellness Center and the Carol Ray Dowling Health Services Building. Recommendations from an energy audit, conducted by the S. C. Energy Office, will be implemented. This work will include the replacement of HVAC systems in Hubbard Hall, the Health Services Building, and the Gregory Health and Wellness Center. Other energy conservation measures will also be provided in this project. This project will include the replacement of the pool deck and other immediate needs in the Gregory Center.**

**Estimated costs and square footage:**

<b>Gregory Health and Wellness Center</b>	<b>\$1,825,000;</b>	<b>51,200 SF</b>
<b>Hubbard Hall</b>	<b>\$1,060,000;</b>	<b>38,192 SF</b>
<b>Carol Ray Dowling Health Services Building</b>	<b>\$1,225,000;</b>	<b>18,000 SF</b>

- G. Detailed Justification for Funding

- (1) Justification for Funding Priority:

**This project directly supports USCL's Strategic Goal #4 – Enhance the physical plant. It will complement other renovation projects currently in progress such as renovation of the J. P. Richards Tennis Complex, replacement of dead and decaying trees on campus, exterior and interior repairs to the Bradley Arts and Sciences Building, remodeling of the donated Carol**

Ray Dowling Building, and repaving of parking lots. The buildings represent 46% of the total square footage on campus. If these renovations are not fully funded and completed, the continued deterioration of the facilities may jeopardize continuation of mission-critical activities. Moreover, without adequate funding, the costs will continue to rise as further deterioration ensues. USCL does not have sufficient current resources to otherwise fund this project. The project is included in the 2007 Comprehensive Permanent Improvement Plan (CPIP). A copy of Form C3 is attached.

Hubbard Hall was constructed in 1965. Although periodic repairs and upgrades have been accomplished since then, the HVAC system has reached its expected useful life and is woefully inadequate. The building's air quality poses a health risk. The air conditioning system does not supply adequate cooling and air circulation during hot weather. Consequently, stagnant air and mold and mildew odors are prevalent. The teaching and learning environment suffers under these conditions. A recent audit by the S. C. State Energy Office recommended significant improvements to the HVAC in order to maximize energy conservation.

The Gregory Health and Wellness Center was constructed in 1981. Since construction of the building, routine maintenance has been performed. However, as with Hubbard Hall, the HVAC system in Gregory has reached its expected useful life. The high humidity in this building is a factor of both the indoor pool and the inadequate HVAC system. Humidity has caused metal door frames and girders to rust and deteriorate. The HVAC system leaves exercise areas too warm and locker-rooms cold. The pool deck is pitted and cracked. Consequently, it has become a safety hazard due to the risk of falls. Patch-work repairs have not been successful. Past inspections by the S. C. Department of Health and Environmental Control have pointed out the Department's serious concerns about the pool area. If left uncorrected, the university may eventually be cited for unsafe conditions, which may cause a cessation of programs. The fitness and therapy programs provided in this facility are a major public service program of USCL. There is a very high local demand for this facility. More than 1,800 local citizens have membership in the Gregory Health and Wellness Center. This project will replace the HVAC system, pool deck and other needed renovations.

The Carol Ray Dowling Health Services Building also needs replacement of the HVAC system. Moreover, it is in need of a roof and an elevator to accommodate patients.

(2)

<b>Total Project Cost Estimates:</b>	<b>Additional State Funds</b>	<b>Previously Authorized State Funds</b>	<b>Total Other Fund Sources</b>	<b>Project Total</b>
<b>Total Project Cost*</b>	<b>4,110,000</b>			<b>\$4,110,000</b>

*\* If additional annual operating costs from any source of funding are anticipated upon project completion please complete Sections H and I (Justification for Additional Future Annual Operating Costs) below.*

H. Justification for First Year Additional Future Annual Operating Costs:

**No additional annual operating costs are anticipated. Annual cost savings of approximately \$10,000 may be realized from increased energy efficiencies, assuming no significant changes in energy prices. If energy prices increase significantly, the renovations completed by this project will lessen the impact of those increases by virtue of lower total energy consumption.**

(1) Will additional annual operating costs be absorbed into your existing budget? Yes

If not, will additional state funds be needed in the future? \_\_\_\_\_

If state funds will not be needed in the future, explain the source(s) that will be used. Increased energy efficiencies will create future costs savings.

(2) First Fiscal Year Additional Annual Operating Costs Are Anticipated: \_\_\_\_\_ Will this fiscal year require a partial or full year's operating funds? \_\_\_\_\_ If a partial year's funds are required, what portion of the year does it cover? \_\_\_\_\_

(3)

<b>Additional Annual Operating Cost Details:</b>	<b>State Non-Recurring</b>	<b>State Recurring</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Total Costs:</b>					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

I. Justification for First Full Year Additional Future Annual Operating Costs *(If Section H above represents a full year's operating funds, do not complete this section.)*

(1) Will additional annual operating costs be absorbed into your existing budget? \_\_\_\_\_

If not, will additional state funds be needed in the future? \_\_\_\_\_

If state funds will not be needed in the future, explain the source(s) that will be used. \_\_\_\_\_

(2) First Full Fiscal Year Additional Annual Operating Costs Are Anticipated: \_\_\_\_\_

(3)

<b>Additional Annual Operating Cost Details:</b>	<b>State Non-Recurring</b>	<b>State Recurring</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Total Costs:</b>					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

J. Other Comments:

## FY 2008-09 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### I. PRIORITY ASSESSMENT OF ACTIVITIES – HIGHEST PRIORITIES

A. Agency Section/Code/Name: **15E/H37/USC LANCASTER**

B.

<b>Priority Assessment of Activities – Highest Priorities</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>	<b>FTEs</b>
Activity Number & Name: <b>520 Instruction: Arts and Sciences</b> <b>523 Academic Support</b> <b>524 Student Services</b>	<b>2,355,034</b>	<b>302,332</b>	<b>0</b>	<b>0</b>	<b>4,889,095</b>	<b>\$7,546,461</b>	<b>47.46</b>
<b>TOTAL OF HIGHEST PRIORITIES</b>	<b>\$2,355,034</b>	<b>\$302,332</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$4,889,095</b>	<b>\$7,546,461</b>	<b>47.46</b>

## FY 2008-09 ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF ACTIVITIES – LOWEST PRIORITIES

A. **Agency Section/Code/Name:** 15E/H37/USC LANCASTER

B. Agency Activity Number and Name:

C. Explanation of Lowest Priority Status:

D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	0	0	0	0	0	\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

**The activities reported in the Agency Activity Inventory are based on expenditure classifications established by the National Association of College and University Business Officers (NACUBO) and are standard across higher education. These classifications identify all critical and necessary components of an institution's mission and are inseparable. Consequently, all of the above activities are mission-critical to USC Lancaster.**



F.

[illegible]